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Social Progress

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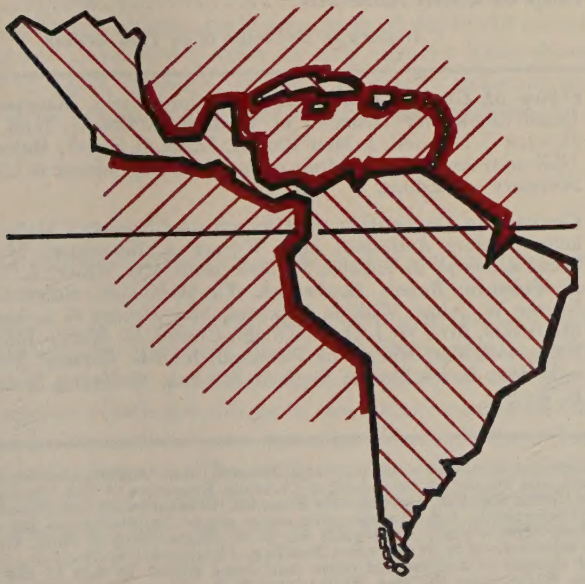

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MARCH 1961

Social Progress

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BY WAY OF INTRODUCTION

IN THIS issue of SOCIAL PROGRESS we probe U.S. relations with Latin America. Our historic ties have been mostly with Europe, but geography is catching up with us. The destiny of our country is increasingly bound with that of our American neighbors to the south. There is an emerging hemispheric pattern of political strategy, economic interdependence, and cultural bonds.

The trouble is that most citizens of the United States are unaware of the growing importance of our Latin-American involvements. Indeed, with the almost single exception of the fairly recent excitement about Cuba, the people of this country have shown little interest in Latin America, and are abysmally ignorant about the area and its people. It is high time that these deficiencies be corrected.

In the following pages we emphasize social, political, and economic aspects of U.S.–Latin-American ties. The relations of the churches of this country with those of our neighbor countries to the south are ably discussed in the study books dealing with Latin America soon to be published by Friendship Press, the church-owned agency which specializes in missionary education materials. The interdenominational ecumenical mission study theme for 1961–1962 is Latin America. The adult reading and study book is *The Quiet Crusaders*, by Henry L. McCorkle. The present issue of SOCIAL PROGRESS may be used as an auxiliary resource text for the Latin-American study.

The emphasis on Latin America in the study programs of our churches is most timely. We need to realize that our relations with Latin America have been far from perfect, that the United States has acted sometimes most unwisely and often very badly, and that the record includes not a few things we need now to live down. The best evidence of this is the common Latin-American label for the United States—the Colossus of the North. The phrase dramatizes the obvious inequalities that exist between the two areas—the power and wealth of the United States as compared with the poverty and weakness of most of Latin America. Sometimes the phrase symbolizes, for those who use it, a reaction to what they regard as brutishness and insensitiveness that have often characterized U.S. dealings with Latin America in the past. We need to understand what Latin Americans think of the United States and its citizens, and why they have come to think that way. When we discover the image many Latin Americans have of our country, we may be shocked by what we learn, and perhaps we need to be.

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Tremendous social forces are at work in Latin America, such as the drive for industrialization in underdeveloped agrarian countries, the universal demand for social justice, the revolt against dictatorships, the resurgence of national pride.

One of the most impressive social facts about Latin America today is the fantastic rate of population increase which is, in continental terms, the highest in the world. The population of the area grew 2.8 per cent in 1960, as compared with a world-wide rate of growth of about 1.7 per cent. Indeed, in Paraguay, Costa Rica, Colombia, and Mexico the rate exceeded 3 per cent, which means that the population in these areas may be expected to double in less than thirty years.

One result of the recent upsurge of population in Latin America is the high proportion of children and youth. Forty per cent of Latin Americans are children under the age of fifteen. The median age of the people of South America is only 21.5 years. In all parts of the area there is pressing need for schools and teachers.

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We need to be reminded that there are several non-self-governing areas in Latin America. Colonialism, mostly of an enlightened kind but still colonialism, still exists in the Western Hemisphere. We can be sure that there are people in some of these regions who dream of freedom and who are perhaps prepared to demand it. Let us hope that when this happens, the Government and the people of the United States will wisely encourage those who seek orderly change, political stability, and the establishment of responsible and truly democratic government.

—The Staff

The Changing Face of LATIN AMERICA

By Latin America we usually mean the twenty independent nations of the Western Hemisphere that are located south of the United States.

Ten are in South America—Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay, and Venezuela.

Ten are in Middle America, an area extending from Panama, through the five states of Central America—Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua—to Mexico and the three island republics of the Caribbean—Cuba, the Dominican Republic, and Haiti.

In most discussions of Latin America it is customary not to include Puerto Rico and the British, Dutch, and French dependencies.

Only four of the twenty countries of Latin America have populations in excess of 10 million—Brazil with nearly 66 million, Mexico with 31 million, Argentina with 19 million, and Colombia with about 13 million. The largest in area is Brazil with its 3,287,195 square miles—somewhat smaller than the United States which now (since Alaska and Hawaii have become states) has an area of 3,615,226 square miles.

Climate and Terrain

About three fourths of Latin America lies in the tropics. This has a bearing upon the social and political development of the region. Climate is recognized as a factor affecting human behavior, although we have surprisingly little understanding of the nature of the interplay of climate and human behavior.

Another physical factor in the development of Latin America has been the spectacular terrain. The vast jungles, the high mountain ranges, even the great river systems, have been barriers to easy communication and transportation and have served as obstacles to political and social integration. Regionalism and sectionalism are strong elements in the political struggle and rivalries within Latin America.

Economy

Concerning the economy of the area, five very general observations may be made:

1. Agriculture, the chief economic activity in nearly all parts of Latin America, is dependent upon the productivity of the soil which ranges from highly fertile in parts of Argentina to barely productive on the

mountain slopes of Ecuador and in the deserts of western Mexico.

2. The natural resources of Latin America are fantastically rich and varied, and include many minerals, such as Venezuela's oil and Bolivia's tin, which are desperately needed by the more industrialized countries.

3. Land plays a large role in the economy of Latin America—perhaps a greater role than it really should assume. It is widely regarded as the main source of wealth, which means that economic activities not directly based on the land, such as commerce and industry, are not given their due. Land tenure is a serious problem in most Latin-American countries.

4. The economies of nearly all of the states of Latin America are underdeveloped. By that we mean that modern technology has not been applied in productive activity to anything like the extent that is possible, so that a large input of human energy yields a relatively small output. This results in wide poverty, low living standards, and all the attendant problems.

5. Private capital from foreign countries has been a large factor in the development and utilization of the natural resources of Latin America. Great Britain has been the largest single source of foreign investment in the southern part of South America, south of Bolivia and Brazil, while the United States has served this role in the other parts of Latin America.

Cultural Background

As to the traditional culture of Latin America, with its unique racial strands, these points may be noted:

1. Two years after Columbus' historic voyage, Pope Alexander VI drew a line to divide the areas available for conquest and expansion between Portugal and Spain. Under this formula, Brazil became Portuguese and the rest of Latin America Spanish. In 1697 the French sovereignty over Haiti was recognized by Spain. The main European influences in Latin America thus came to be Spanish, Portuguese, and French.

2. The American Indian has always played an important role in Latin-American life. In the pre-Columbian period, the Indian cultures of the area that later became the United States, and of parts of Latin America, were mostly nomadic, primitive, often warlike, and had limited ability for long survival. In other parts of Latin America the story was quite different. The Mayas, Aztecs, and Toltecs developed quite remarkable civilizations of great durability in what is now Mexico and Guatemala. Indian cultures of a high order and great lasting power developed also in the area embracing the present Peru and parts of Ecuador, Bolivia, and northern Argentina. In these regions a large proportion of the population—indeed, in Bolivia, Ecuador, Guatemala, and Peru, nearly half of the people—still live as Indians. Moreover, in Latin America generally, Indians, while early subjected to second-class status, were not treated as they were in British North America—driven back and back and then consigned to reservations. Except in the Caribbean islands where the Indians were wiped out, and in a few other areas where their numbers are now relatively very small, the American Indian con-

tinues to be a large factor in the social and political development of Latin America.

3. The encounter of Indian and European civilizations gave rise to a class system that persists to this day, though the order varies to some extent from country to country. The upper class ("Creoles" or "whites") is European in its orientation, culturally and linguistically. Where Indians make up a large proportion of the population, they tend to constitute the lower class, with a middle class (mestizos or cholos) representing a fusion of European and Indian backgrounds. Where Negroes are found in significant numbers, as in the Caribbean republics and in parts of Brazil, they tend to be relegated to the lower class. Creoles make up from 15 to 30 per cent of the population of many Latin-American countries. In this group generally are to be found the political leaders and government officials, the landowners, the clergymen, most of the army officers, and nearly all of the voters and of the people regarded as literate. Mestizos constitute about one third of the population in many countries. In some areas, as we have indicated, about half of the people live as Indians.

4. A unique feature of the class system in many Latin-American countries is that the orders are based on social rather than racial differences. A family may be regarded as Indian if its members use an Indian dialect and dress as Indians, even though the "racial" background may be strongly European. Likewise, an Indian who lives in a city, uses Western dress, and speaks Spanish would be regarded as a mestizo, or even as a Creole if he should acquire an education and become a landowner.

5. Interclass mobility occurs at varying rates throughout Latin America, but it does not happen easily. Movement from one class to another may come as a result of becoming literate, changing one's style of dress, learning a new language, (usually quite difficult for an Indian), moving from countryside to city, acquiring land, entering the priesthood, or becoming an army officer.

Impact of the West

The conquest of Latin America by the Spanish and Portuguese in the sixteenth century was the beginning of Westernizing influence in the area. The impact of the West continued in the expansion of European control through the colonial period, in the waves of European immigration in the eighteenth and nineteenth centuries, in the expanding influence of the United States, and in growing Latin-American participation in world affairs. The following aspects of the Westernizing process can be especially noted:

1. The initial impact of Spanish control was violent and decisive. It was felt first in the Caribbean area where the Indians resisted but were no match for the militant and heavily weaponed Spaniards, and were virtually wiped out. On the mainland, where the church intervened to stop the extinction of indigenous populations, the story was quite different. Under the "Law of the Indians," dating from the 1530's, Indians who accepted the faith and protection of the

Roman Catholic Church were saved from slaughter. They took their place as the lower class of the new order—under the rule of the foreign conquerors, but within the care of the church. In Chile, however, the native Araucanian Indians, warlike and proud, stubbornly resisted the European advance, were driven south and finally confined to reservations, and never have been incorporated into Chilean society as a lower class or in any other way.

2. An aspect of Spanish colonialism which left its mark upon most of Latin America was its centering of attention upon urban rather than rural life. European settlers tended to gather in cities and towns, and European influence was stronger by far in the urban centers. The municipalities were Westernized, while the rural areas clung to indigenous non-Western systems and customs. The major exception was Argentina, where Westernization took place on a provincial rather than on a municipal basis. In most of Latin America to this day there tends to be a deep division between rural and urban life—the cities are oriented to Europe and its ways, the rural areas remain the land of the Indians.

3. Throughout the colonial period, Spain and Portugal saw to it that new colonists arriving in Latin America came almost exclusively from the ruling countries. This restriction on immigration was tied to mercantilistic policies whereby the colonies were forbidden to trade or to have other economic dealings with any but the governing power. All this meant that Spain and Portugal, and later France, were long the sole sources of Western influence in Latin America.

4. When the Latin-American countries gained their independence early in the nineteenth century, the area

INDEPENDENCE

Argentina	1810	Secured independence from Spain
Bolivia	1825	Became independent from Spain
Brazil	1822	Proclaimed its independence from Portugal
Chile	1818	Proclaimed its independence from Spain
Colombia	1819	Secured independence from Spain
Costa Rica	1821	Became independent from Spain
Cuba	1898	Became independent from Spain
Dom. Rep.	1809	Gained independence from France
Ecuador	1819	Became independent from Spain
El Salvador	1821	Became independent from Spain
Guatemala	1821	Declared its independence from Spain
Haiti	1804	Won its independence from France
Honduras	1821	Became independent from Spain
Mexico	1821	Proclaimed its independence from Spain
Nicaragua	1821	Became independent from Spain
Panama	1821	Proclaimed independence from Spain
Paraguay	1811	Gained independence from Spain
Peru	1821	Declared its independence from Spain
Uruguay	1814	Won independence from Spain
Venezuela	1811	Proclaimed independence from Spain

was opened to influences of various sorts emanating from many countries other than the former colonial powers. Argentina especially became attractive to an almost continuous stream of European immigrants from the late 1860's to the present day, chiefly from Italy and Spain in the nineteenth century, and from Germany in the twentieth century. Argentina stands second only to the United States in welcoming newcomers from overseas. In recent decades, Latin America has received rather large numbers of European refugees, including many Jews fleeing nazism in the 1930's. The Spanish Revolution of 1930 and the Spanish Civil War later in the same decade drove a great many Spanish immigrants to seek asylum and haven in various parts of Latin America. Newcomers from Europe tended to settle in the urban centers where they contributed to the process of Westernization.

5. In the present century United States influence has become one of the more significant forms of Western impact upon Latin America. The United States, the "Colossus of the North," has had many and varied contacts with its neighbors to the south, ranging all the way from military invasion and occupation, through cultural and political influences and economic ties, to tourism and trade and technical assistance. The major contacts outside the area for nearly all Latin-American countries are with the United States. In Mexico, for example, the spending of "Yankee" tourists is the fourth largest source of national income.

6. Economic development has become perhaps the most spectacular form of Westernizing influence in Latin America in the last decade or more. Since the 1940's technical assistance programs of various kinds have been operating in nearly all parts of Latin America—both bilateral with the United States and multilateral through the United Nations. These programs have been directed chiefly to agriculture, education, public administration, and industrial productivity. Everywhere they have raised living standards and introduced Western technology.

7. Latin America's involvement in international politics has had some significance in the Westernizing process. Eight countries were participants in World War I; all twenty took part in World War II. And all twenty have been members of the League of Nations and now of the United Nations. In the new alignment of power that seems to be taking place in the United Nations, the involvement of Latin-American countries in world affairs is bound to increase. All this means that doors are opened still wider to influences from outside the area.

The Sweep of Change

Latin America, as a whole, has become an area of dramatic social change. We note here some of the main aspects of the tremendous and far-reaching transformations affecting the lives of 200 million persons.

1. Urbanization is one of the principal aspects of rapid social change that is taking place everywhere in Latin America. In practically all parts of the area there is an impressive movement toward the cities. This has given rise to the problem of *la*

cabeza de Goliat where a giant urban head rests upon a dwarfed and dwindling rural body. In Cuba and Uruguay, where the problem is most acute, more than half the population dwell in the metropolitan areas of Havana and Montevideo. Nearly one fourth of Argentina's population lives in Buenos Aires or its near environs; about one fifth of Venezuela's people resides in Caracas. Urbanization creates acute issues of many kinds; wherever it occurs as both a means and a manifestation of social change, it is a test and a challenge.

2. The stimulation of commerce and industry through economic development, especially in the last decade and a half, has been a potent factor in social change throughout Latin America. For one thing, the role of land in the economy is being challenged with the emergence of trade and manufacture as important sources of wealth. As economic development takes hold, once-rigid lines separating social classes are weakened; mobility from one class to another becomes easier; people from rural areas are drawn to the city to find employment in emerging industries. For many Latin Americans, the result has been higher standards of living, enlarged opportunities, expanded horizons. In most of Latin America, economic development has become a principal avenue of social change.

3. There is a new stress on public education in several Latin-American countries, and some expansion of educational facilities, but it is still true in most of the area that education is for the elite, and that large proportions of the population are illiterate. In this situation, education is bound to be a potent instrument of social change, and this it is proving to be in many places.

4. Still another factor in social change that is sweeping Latin America is a process perhaps best described as secularization. Two forms are in evidence. One is the weakening hold upon the people of traditional customs and systems, especially in the rural regions and among the Indian populations where tradition has operated most strongly. Another evidence of the phenomenon we call secularization is the slowly waning influence of the Roman Catholic Church in many sections of Latin America. In either case, the process by which the hold of traditional restraints and of ecclesiastical authority is relaxed carries many risks and poses serious problems. At the same time it should be clear that the process can sometimes be a stimulus to social change.

Latin America is undergoing revolution that is far-reaching and deep. The elements of change we have discussed are not to be found in the same extent or in the same combination in the twenty countries of the area. But they are present in some degree and in some form in nearly all of the countries, and are manifestations of a basic and pervasive transformation.

LATIN AMERICA—VITAL STATISTICS

Country	Capital	Area (*sq.mi.*)	Population	National Income in U.S. Dollars (*millions*)	National Income in U.S. Dollars (*per capita*)
Argentina	Buenos Aires	1,072,477	20,770,000	8,383	439
Bolivia	La Paz	404,388	3,990,000	222	70
Brazil	Rio de Janeiro	3,287,195	66,090,000	13,164	225
Chile	Santiago	286,397	7,121,000	2,404	356
Colombia	Bogotá	439,519	15,320,000	4,283	338
Costa Rica	San José	19,653	1,035,000	312	328
Cuba	Havana	44,206	6,840,000	1,994	342
Dominican Republic	Cuidad Trujillo	18,711	2,698,000	574	228
Ecuador	Quito	104,506	4,230,000	614	167
El Salvador	San Salvador	8,259	2,348,000	482	220
Guatemala	Guatemala City	42,042	3,430,122	527	162
Haiti	Port-au-Prince	10,714	3,384,000	230	70
Honduras	Tegucigalpa	43,277	1,769,000	283	170
Mexico	Mexico City	760,335	33,710,190	6,725	227
Nicaragua	Managua	57,143	1,331,000	146	138
Panama	Panama City	28,752	1,040,000	246	270
Paraguay	Asunción	157,039	1,638,000	160	102
Peru	Lima	506,000	11,190,000	1,161	124
Uruguay	Montevideo	72,172	2,650,000	938	359
Venezuela	Caracas	352,143	6,680,000	4,328	750

The United States and Latin America—Diplomatic Relations

In 1811 the United States Congress stated its concern about Florida, then under the weak control of Spain, in the No-Transfer Resolution, which declared that the United States "cannot without serious inquietude see any part of the said territory pass into the hands of any foreign Power." This resolution may be said to be the beginning of United States relations with Latin America.

The No-Transfer Resolution of 1811 expressed the attitude of the United States with respect to the possibility of Nazi control of French and Dutch possessions in the Western Hemisphere at the height of German expansion in the Second World War. The United States would also apply the "no-transfer" principle to communist subversion in Latin America as well as to territorial conquests, although the countries of Latin America would probably concur only in the latter case.

When the Latin-American countries were struggling for their independence in the years from 1810 to 1825 or so, the United States, itself a newly independent nation, championed their cause, although negotiations to purchase Florida from Spain, which was accomplished in 1821, made it unwise to offend the Spanish Government during much of this period. The United States gave full diplomatic recognition to the new Latin-American states as they came into existence. At the same time, many leaders in this country doubted that any mutual benefit would come from relations with the newly free countries to the south.

The Monroe Doctrine

The Monroe Doctrine, part of President James Monroe's message to Congress on December 2, 1823, stated in its key sentence:

We owe it, therefore, to candor, and to the amicable relations existing between the United States and those [European] powers, to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and security.

This was a daring statement of policy, but in the two decades that followed, it was largely neglected. The British and French interfered rather freely in Latin-American affairs—in Mexico, Brazil, Argentina, Uruguay, Chile—with no intervention by the United States.

The Doctrine was revived, however, by President James Polk in connection with the acquisition of Texas in 1845 and the war with Mexico, which followed in consequence, when there appeared to be some possibility of French and British interference with the exercise by the United States of its "manifest destiny" to expand to the west.

The Doctrine was useful later in restraining Britain's activities in Central America, in forcing the French out of Mexico, and in blocking Spain in its efforts to regain control in Santo Domingo and Peru.

In 1875, Great Britain and Venezuela became embroiled in a long-drawn-out dispute over the boundary of Guiana. For two decades Venezuela appealed in vain for United States support of its side of the argument on the basis of the Monroe Doctrine. It was not until 1895 that Congress became interested and approved a resolution urging arbitration. The Secretary of State addressed a strong note to the British Foreign Secretary, Lord Salisbury, who said in reply that the Monroe Doctrine did not apply to the controversy. He pointed out that the United States Government had no right to declare a universal policy with reference to a number of nations "for whose conduct it assumed no responsibility," or to claim that the affairs of these nations were the concern of the United States "simply because they are situated in the Western Hemisphere."

This was a logical statement, undoubtedly correct in international law and certainly one that would be accepted now throughout Latin America, but in 1895 the United States, with its growing commercial and other economic involvements in countries to the south, could not let it stand. President Grover Cleveland rejected Lord Salisbury's note and Great Britain, perhaps in consideration of its own large investments in the United States, gave in and permitted the arbitration of its dispute with Venezuela.

The sharp exchange of notes in the Venezuelan matter had two significant results. First, the episode aroused American feelings against outside interference in the affairs of the Western Hemisphere to a point where intervention in Cuba less than three years later was regarded as a necessary development.

The United States was taking upon itself and proclaiming for all to hear, even the Latin-American countries, which wanted none of it, the role of hemispheric leadership. Second, the realization that the United States had challenged the British who boasted the world's greatest navy, when its own naval equipment included only one "modern" battleship, gave the American leaders pause and led to a program of rearming that was to make the country a world power in reality.

An elaboration of the Monroe Doctrine came as a result of a ruling of the Hague Court in 1904 supporting the right of certain European powers to resort to military display in forcing Venezuela to satisfy certain claims of their citizens. This ruling that armed force could be used to collect debts was an invitation to intervention whenever political instability led to the defaulting of loans or to the seizing of alien property. The United States reaction

was the Roosevelt Corollary—President Theodore Roosevelt's declaration that part of our international duty under the Monroe Doctrine was the exercise of police power throughout the hemisphere whenever political weakness or irresponsibility jeopardized "alien" interests. We may recall that even President Woodrow Wilson argued that "chronic wrongdoing, or an impotence which results in a general loosening of the ties of civilized society, may in America as elsewhere ultimately require intervention by some civilized nation."

A high-sounding principle, but it gave rise to—or, perhaps, it rationalized—the era of "dollar diplomacy" and "protective imperialism" in United States–Latin-American relations.

"Protective Imperialism"

In the closing years of the last century and for a generation and more after, the Isthmus of Panama and the canal that was to be built across it came to be regarded as vital to the security and defense of the United States. An axiom of American policy was that the canal and its approaches should be in friendly hands. To keep the area safe, the United States launched a series of armed interventions in the Caribbean area. In some of these adventures the purpose obviously included the protection of American business interests and the safety of United States citizens.

The case of Cuba is full of ironies. The United States did nothing for the island and its people during the ten years of their futile war against Spain (1868–1878) or in the cruel years that followed, while Spain acquired from this country the arms it needed to suppress Cuban rebels. In 1898, when the area had assumed a new importance for North Americans, the United States did intervene, but the Spanish rule had grown so weak that it is highly probable that the Cubans could have won their freedom without help from outside. At least, all Cubans believe so today. With the end of Spain's dominion, the United States stated magnanimously that its purpose was not to establish its own sovereignty, but to bring peace to Cuba and then "to leave the government and control of the island to its people." The United States was not entirely self-denying, however, when Congress insisted that Cuba add to its constitution the Platt Amendment, the key sentence of which stated that the Government of Cuba "consents that the United States may exercise the right to intervene" in the interest of independence, of stable government, of the protection of life and property, and of certain obligations assumed by the Cuban Government when it took over. The Platt Amendment, which led to a number of interventions and made Cuba's independence somewhat ambiguous, was in effect from 1904 to 1934.

Panama was created as a result of American intervention. A French-owned company had begun digging a canal across the isthmus under a concession from Colombia to whom the area then belonged. The project aroused fears in the United States, but it failed in 1899 while American protest was still in the talking stage. Then followed a series of dubious diplomatic and financial manipula-

tions including the staging of a revolution in 1903 that succeeded when United States naval vessels prevented Colombian troops from reaching Panama and resulted in the erection of Panama as an independent state. The United States was given rights to dig and operate the canal with full jurisdiction in perpetuity over a zone five miles wide on either side. The Panama Canal was opened in 1914.

An intervention in the Dominican Republic in 1904 was carried out under the Roosevelt Corollary to forestall armed intervention from Europe to force the country to pay its debts. United States forces intervened again in 1912 and occupied the republic from 1916 to 1924 in order to quell revolutions and remedy fiscal chaos.

United States Marine forces landed in Nicaragua in 1909 to restore order. They came again in 1912 and stayed until 1933. The purpose was to prevent revolutions, to supervise elections, and to train the local police. In 1915, when Haiti fell into a state of anarchy, the United States sent in Marine forces together with crews of technical experts. American occupation continued until 1934.

The relations of the United States with Mexico in the present century, especially after the revolution of 1910 which broke the long dictatorship of Porfirio Díaz and brought in a period of turbulence and civil war, include examples of blatant and futile intervention. The provocations were numerous and sometimes serious, but American reactions were just as often excessive and inexcusable, such as the occupation of Vera Cruz and the forays of General Pershing's troops.

On the whole, however, interventions by the United States in the affairs of the Caribbean countries were benevolent and protective. They were meant to give the area political stability and to preserve its security. But sometimes the results were quite otherwise than the United States intended, as in the establishment of the dictatorship of Somoza in Nicaragua and Trujillo in the Dominican Republic. The self-assumed role of policeman and protector made the United States very unpopular in Latin America and helped to give it the reputation of being bully and brute in the classical tradition of Calaban.

The Good Neighbor Era

The Good Neighbor policy in United States relations with Latin America may be said to have begun with the work of Dwight D. Morrow as ambassador to Mexico under President Calvin Coolidge. His service was a model of understanding, fair dealing, and practical achievement.

The end of World War I, with Europe weak and the United States strong, seemed to remove the possibility of intervention in Latin America by any European country. It was then up to the United States to abandon its right to intervene under the Roosevelt Corollary of the Monroe Doctrine. The Pact of Paris of 1928 outlawing war as an instrument of national policy, known as the Kellogg-Briand Pact because of the part that Secretary of State Frank B. Kellogg and French Premier Aristide Briand had in its inception, was further incentive.

The Roosevelt Corollary was, in

effect, discarded in a State Department pronouncement in December, 1928, which restored the Monroe Doctrine to its original purpose as a policy of hemispheric solidarity and defense. The implementation of the revised policy took place during the administration of President Franklin Roosevelt.

The principle of nonintervention was affirmed in agreements drawn up in inter-American conferences in Montevideo in 1933, and in Buenos Aires in 1936. The United States gave up its right to intervene in Cuba (the Platt Amendment) by Senate action in May, 1934. In the same year the United States abandoned its last treaty rights to intervene in Central America. Similar action was taken with respect to Haiti in 1936, Panama in 1939, and the Dominican Republic in 1941.

It should be pointed out that these agreements had to do with armed intervention and occupation, and that there are other forms of interference by one nation in the affairs of another.

In 1933, for example, a deliberate delay by the United States in recognizing the government of Ramón Grau San Martín in Cuba resulted in its fall by what the Cuban leaders called "intervention by inertia." This was followed by the speedy recognition by the United States of the Mendietta government which gave the green light to the real ruler, Colonel Fulgencio Batista, and had the effect of installing a dictatorship in the island.

So the problem of intervention remained. The economic and military strength of the United States was such that whatever it did or did not do had its effect in the internal affairs of some or all of its neighbors to the south. The practical questions became these: What is the distinction between deliberate and unavoidable interference? When is intervention proper and acceptable and when is it improper and unacceptable? These questions have a special bearing now in United States dealings with Cuba.

It should be emphasized, however, that the renunciation by the United States of military intervention was supremely important. It was perhaps the major accomplishment of the Good Neighbor policy under Franklin Roosevelt.

Pan Americanism

The Good Neighbor policy was at first pretty much a matter of spirit. For the United States it meant giving up the right to intervene militarily, to exercise police power, to wield the "big stick." There was an increase of mutual trust and good will which made possible the merging of interests and the pooling of resources in World War II.

In the 1940's, however, and especially in the postwar period, it became evident that the Good Neighbor principle needed to be enlarged to include positive elements—economic and technical aid, encouragement of democratic aspirations and institutions, sympathetic support of long overdue social revolutions.

This was not always clear to United States leaders, and the nation's policies toward Latin America were at times confused and even contradictory. Sumner Welles was an able and effective statesman with a profound understanding of Latin-American needs and problems. Nelson Rockefeller was a wise influence in the State Department in shaping Latin-American policy, but his service was too brief to have a wide effect. There were a number of American leaders and statesmen, however, who failed to see the need for a new diplomacy—they tended to be tough when a situation called for understanding and patience, or easygoing and accommodating when firmness and consistency were required. The history of United States relations with Argentina during the war and until the fall of Perón in 1955 provides illustrations of both good and bad diplomacy, but mostly bad.

The Good Neighbor policy and the recognition of common need and interdependence in World War II gave great impetus to efforts to achieve closer co-operation among Latin-American countries and the United States in dealing with a wide variety of common problems. A meeting of Foreign Ministers of Latin-American states in Mexico City in 1945 issued a declaration calling for collective action against aggression anywhere in the area and recommended a hemispheric defense treaty. The result was a conference at Rio de Janeiro in 1947, where a treaty of reciprocal assistance, the "Rio Pact," was signed. This treaty became the model for the North Atlantic Treaty Organization.

Then came the conference of American states at Bogotá in the spring of 1948 where the constitution of a new inter-American system, the present Organization of American States, was drawn up and signed. The membership includes all of the twenty Latin-American countries and the United States. The new plan represented a complete reorganization of inter-American procedures and agencies.

The Bogotá conference also drew up an agreement for the peaceful settlement of differences which provides bilateral procedures to prevent armed conflicts. Another Bogotá agreement was a "Declaration of the Rights and Duties of Man." Still another was a labor code—an "Inter-American Charter of Social Guarantees."

It may be recalled that the Latin-American republics were the principal influence in persuading the United Nations Conference in San Francisco in 1945 to include Article 51, affirming the right of member states to set up regional organizations, in the UN Charter. This paved the way for the Bogotá Conference three years later and the establishment of the Organization of American States, one of the most significant developments in Latin-American affairs in the postwar years.

The Cold War

In the last dozen years or so, the relations of the United States with the countries to the south have been greatly affected by the cold war. Its efforts to involve Latin America in the struggle against communism were, on the whole, crude and ineffective. Latin Americans could not be convinced that they were anything more than bystanders and observers. The threat of communism was real, and it exists today, but the obsession of United States policy with anticommunism, especially during the McCarthy era, neither helped this country nor harmed the communist cause.

To many Latin Americans who were truly devoted to freedom and democracy, it seemed that the United States too easily accepted the anticommunist protestations of dictators, who won favors thereby, although they resisted democratic reforms, suppressed freedom, and sometimes even tolerated communist movements, in their own countries.

The unforgettable example of the working of a policy dominated by a narrow and blind concentration on anticommunism was the case of United States relations with Guatemala in the ten-year period following 1945 when Juan José Arévalo emerged as president after the overthrow of dictator General Jorge Ubico y Castañeda. Arévalo was tolerant of the weak but growing communist movement in the country. It gained ground rapidly in the face of the "big stick" policies of the United States ambassador who failed to understand either the nationalist, radical, anti-Yankee atmosphere of the times or the need for fundamental social reform. In 1951 Colonel Jacobo Arbenz became president of Guatemala. Under him, the communist strength grew to the point of controlling or strongly influencing the country's social, economic, and political development. United States policy soon became directed to the overthrow of Arbenz. This was accomplished by means that were regarded with anger and apprehension, to put it most mildly, throughout Latin America. The sensational case is discussed in considerable enlightening detail by Herbert Matthews, of *The New York Times*, in the report of the Sixteenth American Assembly, held at Columbia University in the fall of 1959, which dealt with United States–Latin-American relations.

A serious error, as some have pointed out, seems to be an overemphasis by the United States on "international communism" as over against local communist movements. The national versions may be to some extent influenced and aided by Moscow, but the way to stop communism's advance in Latin America is to attack the things on which it feeds by strengthening democratic forces, by encouraging social justice and economic growth, by helping more to raise standards of living.

The United States has much to live down. There was a period when dictators, such as Perón in Argentina, Jiménez in Venezuela, Trujillo in the Dominican Republic, Somoza in Nicaragua, and Batista in Cuba, could win favors and support by being, or professing to be, anticommunist. This negative policy greatly harmed United States reputation in Latin America. The answer to the

communist threat must be more positive, as the United States seems at last to have learned, such as supporting basic social reforms, economic advance, and stable governments.

More Recent Developments

The visit of Vice-President Richard M. Nixon to South America in 1958 was an important episode in United States–Latin-American relations in the postwar period. Its significance was that it gave the United States a jolting understanding of the depth and extent of anti-Yankee feeling in the area, and forced a review and revision of some basic policies.

In March, 1958, the United States Assistant Secretary of State for Inter-American Affairs told the Senate Foreign Relations Committee he did not believe that there was, at that time, widespread discontent in Latin America with United States policies. Two months later he witnessed the attacks upon Mr. Nixon.

It was the courage of Mr. and Mrs. Nixon and his ability to understand the reasons behind the attacks, that won Latin-American admiration and turned United States policy to a new direction. In reviewing his experiences, Mr. Nixon said he felt that the trip was a "liberal education" both for himself and for the State Department experts who were with him. He stated, too, that the upper classes in Latin America had failed to understand the social pressures in their own countries, and United States diplomats had too largely limited their contacts to the elite. Mr. Nixon made the point also that a revision was greatly needed in United States economic policies and practices in Latin America.

Many have emphasized that Latin-American hostility, where it exists or has existed, is directed not against the people of the United States but against the Government and its policies. North Americans traveling in Latin America generally meet friendship and hospitality.

The tragic story of Cuba is still unfolding—the dramatic success of the early phases of the recent revolution, the apparent betrayal of the movement, the rise to dominance of communist influence in the island republic, the efforts of the United States to be neutral and then to intervene by the manipulation of economic policies and by the withdrawal of recognition, the present counterrevolt of unknown dimensions and unpredictable future, and the flood of refugees to Florida. Some strands of the story are little known, and concerning other aspects there has been considerable misunderstanding in the United States. (It may be possible and useful to devote an issue of Social Progress to Cuba at some appropriate time in the near future.)

In November, 1959, Panama's unhappiness about some phases of its relations with the United States were dramatized in demonstrations in and near the Canal Zone. The rioters, mostly students, were met by bayoneted troops, tear gas, and bird shot. The incident had to do specifically with the right of Panama to fly its flag in the Canal Zone, a right that existed for a few years after the Zone was established by treaty in 1903. After the demonstration there was a complete revamping by the United States of its diplomatic and military command in the area, and also of its policy. President Eisen-

hower in September, 1960, as the anniversary of the Panama riot drew near, directed that the Panamanian flag be flown in certain key places in the Canal Zone.

The Panamanian incident shows the wide extent of Castro's influence in the Caribbean area. Many of those who took part in the demonstration had admittedly been spurred by Castro's speeches, which are widely and repeatedly broadcast by radio. But back of this are the rising nationalism found everywhere in Latin America, the desire for social reform and economic improvement.

The Future

It is possible that we are seeing a revolutionary process unfolding in Latin America as significant as the breaking of the colonial ties in the second and third decades of the nineteenth century.

What the future calls for in United States–Latin-American relations, is mutual respect and understanding, and in bringing this about the United States has much to do. The continuing task is stated by Herbert Matthews, a wise counselor, in these words:

"Walking along the razor's edge between intervention and nonintervention, leadership and partnership, is always going to be supremely difficult. The influence of the United States, because of our wealth, power, and Latin America's need of aid, must in any circumstances constitute a form of 'intervention.' The problem is to make it an influence that Latin Americans desire. Leadership is necessary since we have the money, the goods, the know-how, the nuclear weapons, the world power, the prestige, the democratic traditions and practices that Latin-American countries either lack or do not possess as a whole or in large measure. The goal of this leadership is to win trust, loyalty, and support, and to set an example that will make all men of good will and democratic ideals in Latin America want freely to follow us. . . .

"Where is the new spirit to be found? In sharing and helping the democratic resurgence; in accepting and even encouraging the social revolution, which is a wave now engulfing the area; in 'Good Partnership' as President Eisenhower put it.

"There are no panaceas, no easy solutions, no dogmas, no formulas, no all-wise, omniscient conferences to settle the problems of our relations with Latin America. It is a field that embraces twenty-one countries at different stages of progress and maturity, different in size, population, wealth, race, history, traditions.

"Humility might almost be a first requisite for the student, the diplomat, or the man-in-the-street. There are no 'experts' on Latin America; there are only degrees of ignorance. Yet those who work with open and friendly minds in this vast field will not, in Bolivar's sad phrase, be 'ploughing the water.' The reward for the North American and for the United States Government could be a rich one.

"Perhaps the wisest progression would be thus: sympathy, knowledge, understanding, patience, patience, patience. . . ." (From *The United States and Latin America*, The American Assembly. Columbia University, 1959. Used by permission.)

The Organization of American States

THE Organization of American States is a viable institution with deep tradition capable of solid growth. Its difficulties derive fundamentally from its milieu. The environment of the inter-American system provides strong tendencies toward fragmentation, countered by less strong forces toward cohesion. The very principles from which hemispheric cohesion derives, namely, respect for national sovereignty and adherence to a policy of nonintervention, are themselves inducive of continued fragmentation. The very action in which the hemisphere is most cohesive, namely, co-operation against outside powers to maintain national independence, itself emphasizes the individual autonomies of the nations.

The Organization of American States (OAS) increasingly becomes an instrument for the realization of goals by the twenty-one governments of the system, even though its visibility as an institution to the peoples of these states is low. It is seen by many in power as a vehicle for achieving economic, social, and cultural growth, securing and supplying economic aid and technical assistance without infringing upon internal sovereignties. Technical co-operation in the OAS has been more successfully organized than has activity dealing with the hemisphere's broader economic and social problems. The OAS is also seen by governments as a way of achieving peace and security in the Western Hemisphere. The Council through its activity as organ of consultation under the Rio Treaty and the Inter-American (I-A) Peace Committee has mollified a long series of intrahemispheric disturbances. The OAS takes as its objective, in large measure, the restoration of peace and the *status quo ante*, not the resolution of underlying conflict. In giving response to extrahemispheric threats, the "multilaterization" of the Monroe Doctrine has gone far, although hemispheric power is still overwhelmingly that of the United States. The spheric OAS yet has not mobilized machinery for countering extrahemispheric subversion and infiltration, nor has it given much more than lip service to increasing the effective exercise of civil liberties by citizens in the hemisphere. In the main, the OAS has been a conservative organ, providing little support for significant political changes.

The central decision-making organs of the OAS—the Inter-American Conference, the meeting

of consultation of the foreign ministers, and the permanent OAS Council—all find admirable service units in their secretariat, the Pan American Union (PAU). Its overburdened operations are considerably more efficient than those of the councils and committees manned by the member governments themselves. PAU's accomplishments in general equal the accomplishments of secretariats serving other international organizations.

Contradictory pressures toward fragmentation and cohesion in the OAS environment are reflected in a lack of vigorous leadership. The arrangement of one large member (the United States) versus twenty small member nations imposes restraints upon leadership by that large country. The complexities of the Organization, with large representational demands on each country, have diluted the leadership given by the Latin-American countries. This dearth of leadership, in turn, has created even further complexities in the Organization by inducing the use of *ad hoc* supergroups to handle problems which become bogged in the regular organs of the OAS. Yet these very complexities create an elaborate net of checks and restraints on the operation of the OAS, so that it is not much feared as an organ of intervention by its member states.

The OAS is linked to a rich variety of nongovernmental organizations, almost all of which are concerned with its nonpolitical functions. Its relations to the United Nations are many, from competitive, overlapping activities in the economic area to completely integrated operations in

the field of health. In the main, the OAS is complementary to the development of the United Nations, tailoring programs to the particular needs of the Americas.

During the first decade of its existence under its 1948 charter, the OAS has achieved a balance between its military-political functions and its economic-social-cultural activities. The extravagant expectations voiced by its member nations—and the pressing realities of a seething hemisphere—far exceed its present capabilities. Compared with the functioning of other international organizations, its modest achievements have been less than those of NATO and the UN.

The Organization of American States is one of several instruments used to implement U.S. foreign policy. It is an alternative to direct bilateral relations, as well as an alternative to multilateral relations through the United Nations. To be a more effective instrument, it must

be considerably strengthened. Its growth should be so timed that it retains the present internal balance between military-political functions and economic-social-cultural activities. Its growth should be so engineered that it remains complementary to, rather than competitive with, the UN. Its growth should be so directed that the OAS itself has impact upon the milieu in which it operates, by serving to encourage the development of vigorous leadership in inter-American affairs. With such growth, the OAS would be markedly more capable of serving as an alternative instrument for the pursuit of U.S. national interests in the inter-American arena: hemispheric peace and security, based on abundance for all, yielding opportunity for the free and good life.

Because of its overwhelming power, the United States has difficulty in being a working partner in the OAS without at once becoming dominant. It is for this central reason that the Organization of American States must remain only one of a number of alternative instruments for implementation of our foreign policy. Over the century ahead, as the Latin-American countries increase their own capabilities, we will be able to work more easily on more equal terms within the OAS. Then the Organization of American States may develop enough capacity to realize long-cherished dreams of the New World.

Non-self-governing Territories

POLITICAL DEVELOPMENTS

These territories do not form a geographical, administrative, or economic unit. The present population is descended from European settlers, African slaves, and East Indian farm hands. The great majority are Negroes. The colonies are poor in natural resources and heavily dependent on a few export crops or commodities.

1. British Possessions

Jamaica—The 1944 constitution provides for universal suffrage, a bicameral legislature with an appointed upper house and an elected lower house. The major party is the People's National Party, led by Chief Minister Norman Manley, who advocates moderate socialism and self-government. The main opposition, the Labor Party, led by Alexander Bustamante, is more conservative. The Communistic People's Freedom Party has few followers.

Trinidad and ***Tobago*** constitute one administrative unit. The govern-

ment consists of a legislative council with 24 elected members, 5 nominated, and 2 ex officio, and an executive council of 7 elected members, the Governor, the Chief Minister, and 2 ex officio. A ministerial system of government, with the Chief Minister elected by the Legislative Council, was established in 1958. The largest party, the People's National Movement, led by Dr. Eric Williams, is democratic-socialist, antinationalist, and interracial. It is opposed by the People's Democratic Party, mainly an East Indian group. There are other small left- and right-wing parties.

Barbados—Barbados has a bicameral legislature consisting of an appointed council and an assembly. Executive authority is vested in a governor, an executive council, and an executive committee. In 1951 universal suffrage was introduced, and further constitutional advances are now under consideration. The strongest political group is the middle-of-the-road Barbados Labor Party, which controls 15 out of 24 congressional seats. The socialistic Democratic Labor Party and the Progressive Conservative Party represent the left- and right-wing opposition, respectively.

The ***Leeward Islands*** (12 in number) were associated in a federation in 1871, with each unit retaining its legislative institutions. The federation was abolished in 1956 to allow the individual islands to join the proposed West Indies Federation, but they are still under one governor. Suffrage was introduced in 1951. The Labor Party won a complete victory in 1956.

The ***Windward Islands*** (5 in number) have one governor, but each colony has its own local institutions. Constitutions introduced in 1951 provided for adult suffrage and an elected majority in the legislative council. Parties are organized for elections and then disbanded.

The ***Bahamas*** are ruled by a governor, assisted by an executive and legislative council. The latter is a representative assembly elected by limited male suffrage.

British Guiana's 1943 constitution created ministerial government based on universal suffrage. The lower chamber consists of 24 elected and 4 appointed members. The higher chamber has nine members, six nominated by the governor, two by the majority party, and one by minority political groups. The strongest political organization is the Communist-inclined People's Progressive Party, led by Dr. Cheddi Jagan. The centrist United Democratic Party won only one seat in the last elections.

British Honduras' constitution of 1954 provides for adult suffrage, an elected majority in the legislative council, and an executive council. Ministerial government began in 1955. The People's United Party, left wing and nationalistic, controls all elective seats in the legislature.

The ***Falkland Islands*** is a crown colony administered by a governor. He is assisted by an executive and a legislative council. In 1949, the latter became an elective body.

2. French Possessions

French possessions are ***Marti-***

nique, Guadeloupe (with its dependencies *Marie Galante, Les Saintes, Désirade, St. Barthelemy,* and *St. Martin*), and ***French Guiana.*** The French Constitution of 1946 made these territories overseas departments. They are all ruled by a prefect, appointed by the French Minister of the Interior. They have an elected general council with jurisdiction in local matters, especially taxes. In France they are represented in the national assembly, in the senate, and in the Assembly of the French Union. Because of the centralized structure, political groups follow mostly the lines of the parties in the mother country.

3. Netherlands Possessions

The ***Netherlands Antilles*** consist of the *Leeward Islands* (Curaçao, Aruba, and Bonaire) and the *Windward Islands* (St. Martin, St. Eustatius, and Saba). Though autonomous in internal affairs, these islands are considered part of the kingdom. Executive power in internal affairs is vested in a governor and the Council of Ministers. In external affairs, it resides in the Council of Ministers of the Kingdom, in which the Antilles are represented. Domestic legislative power belongs to a unicameral legislature of 22 members, popularly elected.

Surinam (*Dutch Guiana*) is ruled by a Crown Governor and a Council of Ministers responsible to a popularly elected legislative council. As in the case of the French possessions, local political groups take their cues from parties in the mother country.

4. The West Indies Federation

The most important post-World War II development in the non-self-governing territories was the creation by the United Kingdom of the ***Federation of the West Indies*** in 1958. The primary purposes of the Federation are to foster economic development and self-government in the British territories. The mother country recognized the need for a Caribbean association as early as 1922, but it was not until the depression of the 1930's that the idea gained ground in the territories themselves. In 1938, a West India Royal Commission reported favorably on the idea of federation, but positive action was held up by World War II.

In September of 1947, a conference was held at Montego Bay, at which all the island delegates accepted the Federation principle. In the London Conference of 1953, a general plan for a constitution was drawn up. In a second London conference in 1956, the parties agreed on a Federal Constitution, which provided for a Crown Governor to be assisted by a council of state, an elected house of representatives, and an appointed senate. Lord Hailes, the first Governor General, took office on January 3, 1958, and on March 25, Federal elections were held in which the Federal Labor Party won a large majority. On April 22, the Parliament held its first session at Port Spain, Trinidad, the provisional capital, where Sir Grantley Adams, of Barbados, was elected Prime Minister.

The Federal Labor Party, which draws its support from the urban,

clerical, and artisan classes, advocates moderate socialism and internal self-government. The opposition Democratic Labor Party, led by Alexander Bustamante, of Jamaica, and Albert Gomes, of Trinidad, is more conservative.

The Federation consists of *Barbados, Jamaica,* the *Leeward Islands, Trinidad, Tobago,* and the *Windward Islands,* and has a combined population of more than 3 million. *British Guiana* and *British Honduras* have not joined. The former favors the Federation only on condition of first receiving dominion status, while the latter is outrightly opposed to joining.

5. The Situation in British Guiana

Political trouble began after the elections of 1953 were won by the Communist-inclined People's Progressive Party, led by Dr. Cheddi Jagan and his American-born wife, Janet. Jagan, an East Indian dentist educated in the United States, draws the bulk of his support from the sugar workers. In October of 1953, the British Government, fearful of a Communist coup, suspended the Constitution, gave the Governor emergency powers, and sent armed forces to support the local police.

In February, 1955, the PPP split when L. F. Burnham, a Georgetown lawyer of African descent, withdrew his support on the ground that Jagan was following the Communists too closely. Burnham, however, also hates the sugar interests. A recent British study suggested that British Guiana's troubles spring largely from the apathy, graft, and profiteering of the business classes. Jagan, who exploits these abuses, is still the undisputed popular leader. This was confirmed in the August 1957 elections, in which his faction of the PPP won a clear victory. A *modus vivendi* has since been reached between the Governor and Jagan. The latter accepted the post of Minister of Trade and Industry, and his wife became Minister of Labor.

ATTITUDES OF LATIN AMERICA

In general, the opinion in Latin America is strongly anticolonialist, among the most vociferous countries being Guatemala and Argentina. The American republics in their attitude toward the non-self-governing territories always distinguish between "colonies" and "occupied territories." For the first, which they consider as legally belonging to another country, they favor independence. The second, various American states claim as their rightful property which has been illegally occupied by non-Latin-American powers. In this category, Guatemala claims British Honduras, and Argentina the Falkland Islands.

At the Bogotá Conference of 1948 a declaration was approved calling for "colonialism and the occupation of American territories by extracontinental countries to come to an end." An American Committee on Dependent Territories was thereupon created to study the problems of colonialism in the New World. In March of 1949 this Committee met at Havana. Here Argentina reaffirmed its claims to the Falkland Islands,

and the Conference proposed that the United Kingdom, France, and Holland give up their colonial possessions. Realizing that some of the latter were unprepared for self-government, they recommended UN trusteeship. The United States and several Latin-American states did not attend the meetings.

At the Caracas Conference of 1954 the Latin-American republics again passed a strong resolution against colonialism. The United States opposed it on the ground that relations with the three European colonial powers were outside the jurisdiction of the OAS.

Puerto Rico has a peculiar position in the inter-American system. Since 1952, it has enjoyed commonwealth status and full self-government, but it is not sovereign. It cannot, therefore, legally join the OAS and deal on an equal basis with the republics of the hemisphere. When the Havana meeting on dependent territories was held, Gov. Muñoz Marín declined representation and declared that Puerto Rico could not be considered a colony. All the same, the Nationalist and Independent Parties of Puerto Rico were permitted to bring their case for independence before the Committee. There is no doubt that today a large majority of the Puerto Rican people favor the commonwealth status. They appreciate the trade and taxation advantages that such status assures them. However, the Latin-American countries are more cautious in dealing with Puerto Rico than with the European possessions, if only because the case involves a dependency of an American state.

PROSPECTS

Future development of the West Indies Federation would be enhanced by the membership of British Honduras and British Guiana. It is too early to report on any basic accomplishments of the Federation, but it does appear to represent a step in the direction of increased trade and more self-government. In British Guiana, domestic political conditions are still deeply troubled. So long as the PPP retains its present leadership there is little hope that a responsible government will be restored to the colony. In British Honduras, the dominant People's United Party is adamantly opposed to joining the Federation, because undesirable immigration from the islands and unemployment might result. Besides, British Honduras has strong cultural and religious ties with Central America; the Catholics in par-

ticular are suspicious of Protestant-oriented institutions, such as the University College of the West Indies.

The Federation will not affect the inter-American system in any significant way within the foreseeable future. The OAS members look favorably upon the association of British colonies in the Caribbean, particularly because they believe this a step in the direction of independence. If the Federation succeeds in achieving sovereignty, however, it will in all probability prefer to maintain its ties with the British Commonwealth, as Canada has done, rather than associate with the OAS.

Guatemala and Argentina will undoubtedly continue agitating for the recovery of the colonies they consider their own. All Latin-American republics will probably continue to favor increased self-government and ultimate independence for the European possessions.

The present position of the United States vis-à-vis the colonialism issue is an embarrassing one. Since the principle of self-determination was proclaimed by President Woodrow Wilson, the United States had always defended the right of the people to decide their own political status. It is a historical irony that because of the cold war and the need for support from its European allies, the United States is now cautious and refuses to take a strong anticolonialist stand. So long as we refuse to do so, the Soviet Union will exploit the issue and Latin America will oppose our present stand.

Problems of Latin-American Economic Development

POSTWAR ECONOMIC GROWTH IN LATIN AMERICA

Rates of Growth

The postwar period has been one of rapid economic growth in Latin America with annual gross output increasing by more than 50 per cent between 1948 and 1958, or at an average annual (compound) rate of about 4.3 per cent. Per capita gross domestic product for Latin America as a whole grew at an average annual rate of about 2 per cent over the same period. There was, however, great variation in the rates of growth among individual countries, in Latin America, ranging from virtually no increase in output per capita in Argentina and Bolivia, to an average annual rate of increase in per capita output of 5.2 per cent for Venezuela and 3.6 per cent for Mexico over the 1948–1957 period.

Per Capita Output

Total gross domestic product for Latin America has been estimated to be about $67 billion in 1958 or about 15 per cent of the gross national product of the United States (which has a somewhat smaller population). Per capita gross product in Latin America in 1958 was less than $360 or about one seventh the per capita GNP for the United States. There is, of course, a very wide variation in per capita output or income among Latin-American countries themselves. For example, in 1956 Venezuela had a per capita national income estimated at $750 while Bolivia and Haiti had per capita incomes of under $100.

Composition of Output

Latin America is predominantly an agricultural area with about half its labor force engaged in agriculture. However, Latin America's agricultural output represents only about a fourth of its gross domestic product while the value of industrial output in 1955 was about 19 per cent of gross product. Mining, which employs only 1 per cent of the labor force, produced 4.5 per cent of the value output in 1955, while the service industries, which employ 30 per cent of the labor force, produced 48 per cent of the value output.

Agricultural output per capita in 1956–1957 was only slightly above the prewar level and the contribution to the gross product made by the average agricultural worker was less than 30 per cent of that of a nonagricultural worker in Latin America. However, in the last few years, agricultural output has risen substantially as a consequence of the continued introduction of new techniques and of mechanization.

Manufacturing has enjoyed a steady growth in Latin America throughout the postwar period, real output by 1958 having risen by more than 40 per cent over the 1950 level. While the bulk of the industrial output takes the form of nondurable consumers' goods (foodstuffs, textiles, clothing, etc.), output growth in these fields has slowed down considerably in recent years. In contrast, the capital goods and durable consumers' goods industries have been experiencing a dynamic growth.

Over-all production of minerals rose by 80 per cent between 1948 and 1957, and the value of the output in constant prices rose somewhat more because of favorable world prices. However, the growth in the volume of minerals production has been very largely concentrated in petroleum. For most other major Latin-American minerals, production has not risen in proportion to the growth in world demand during the postwar period.

Levels of Investment

High rates of growth in Latin America, as elsewhere, generally tend to be associated with high levels of investment. For Latin America as a whole, gross domestic investment averaged about 17.5 per cent of gross product over the 1950–1957 period as against 20 and 18.7 per cent for the United States in 1950 and 1955. Some countries experiencing relatively high rates of growth, including Colombia, Peru, and Venezuela, have apparently been investing over 20 per cent of their gross domestic output in fixed capital formation. On the other hand, the low rate of investment in Chile, less than 9 per cent of gross domestic product over the 1950–1957 period, provides an obvious explanation of the virtual economic stagnation in that country in recent years.

The rapid transformation of the Latin-American economies has called for high rates of investment in nearly all sectors. Rapid industrialization and urbanization have required heavy investment expenditures for both social overhead capital, e.g., dwellings, schools, hospitals, public buildings, etc., and economic overhead capital, e.g., power and transportation. Investment expenditures for overhead capital tend to be higher than those for directly productive activities in industry and agriculture.

Pattern of Investment

There are marked differences among Latin-American countries in the pattern of investment. By and large those countries in which investment has been heavily concentrated in industrial and agricultural equipment and in power and transportation and land improvement have prospered more than those countries whose investment expenditures have been mainly for dwellings and other construction.

Government investment represented about 25 per cent of total gross investment in Latin America over the period 1950–1956, but this proportion differed markedly from country to country. For example, in Chile 72 per cent of gross investment was in the public sector in 1954.

Capital Inflow

Over the period 1950–1958 net capital inflow into Latin America (including reinvested subsidiary profits) amounted to about $780 million annually but varied from $22 million in 1950 to $1,730 million in 1957. Net capital inflow accounted for about 15 per cent of total net fixed domestic investment in Latin America over the 1950–1958 period, and reached a high of about 25 per cent in 1957. However, foreign capital stimulated or made possible increased investment financed from domestic sources. Thus, the total impact of the capital inflow is much greater than would be indicated by its percentage of total net fixed domestic investment.

Productivity

Although output per worker in Latin America is generally quite low when compared with output per worker in the United States, improvements in productivity have contributed substantially to the growth of output in Latin America during the postwar period. Between 1945–

1947 and 1953–1955, gross output per worker in agriculture rose by 18 per cent for Latin America as a whole; and gross output per worker in manufacturing rose by 24 per cent. Substantial progress is known to have been made since 1955, however. There are vast differences in agricultural productivity for individual Latin-American countries. For example, in Uruguay, where agriculture is more mechanized than elsewhere in Latin America, product per man (in wheat units) was about 10 times product per man in Mexico, Peru, and Venezuela, in 1953–1955.

Economic Organization

In their current organization most Latin-American economies are a mixture of colonial land tenure systems, nineteenth-century commercial and financial institutions and practices, and handicraft industry, on the one hand; and modern private industry and farms and state capitalism on the other. Latin-American economies are undergoing a rapid transition with both government enterprise and private industrial enterprise playing increasing roles. Private enterprise, both domestic and foreign, is the most important single factor making for economic expansion in Latin America today. Unfortunately, however, some Latin-American countries have sought more to control or replace domestic and foreign private enterprise than to supplement and encourage those elements in the private sector making for larger output.

HUMAN NEEDS, POPULATION, AND RESOURCES

Levels of Living

Both statistics on per capita national income and other measures of economic well-being—such as food and textile consumption, housing, literacy, percentage of school-age population enrolled in school, infant mortality, and the number of inhabitants per physician—indicate the existence of extreme poverty for the great masses of people in many Latin-American countries. On the other hand, there are wide differences in levels of living between Latin-American countries with some countries having real per capita incomes approaching those of the less opulent countries of Europe.

Population Growth

The rates of population growth in many Latin-American countries are among the highest in the world. For Latin America as a whole population is currently increasing at a rate of 2.5 per cent per annum, and this rate is projected to rise to 3.4 per cent by 1975 when total population will rise to over 300 million as against 163 million in 1950. For some countries the projected rate of increase in population for 1957–1980 is in excess of 4 per cent per year. Continued high birth rates coupled with a rapid reduction in the death rate in most Latin-American countries will tend to increase the proportion of the population under 15 and over 65. Thus, these Latin-American countries are faced during the coming years with an age composition that is unfavorable to a rapid rise in output per capita. Modernization makes it essential that the young people be

taken out of the labor force and placed in schools. Education of a high proportion of young people is expensive and tends to reduce even further the proportion of the population that is economically active.

Natural Resources

The over-all resource position of Latin America is poor relative to that of northern North America and of Western Europe. Less than 5 per cent of the total land area of Latin America has the combination of climatic, topographical, and soil conditions necessary for agricultural production. This compares with 37 per cent for Europe and 10 per cent for the United States and Canada. On the other hand, many of the countries of South America have a relatively low over-all population density, and there is still plenty of unused cultivable land. In fact, South America has more than four times as much cultivable land per capita as Asia and 50 per cent more than Europe. South America also has vast mineral resources, much of which has not been adequately surveyed or explored.

Growth Targets

The Latin-American development planners have tended to set a target of 2 per cent per annum as the minimum rate of growth in output per capita which could be regarded as satisfactory progress. On the basis of the rate of growth in population projected to 1975, total output in Latin America would need to increase at an *average* rate of about 5 per cent per year over the period from 1957 to the end of 1975, but rise to about 5.4 per cent by 1975. (These rates may be compared with an average annual—compound—rate of growth in output of 4.3 per cent in the 1948–1958 period.) This would mean a rise in gross domestic product from an estimated $65 billion in 1957 to $156 billion by 1975. Per capita output would rise from $350 to $515 per year.

It is impossible to judge the feasibility of per capita growth targets for Latin America as a whole because of the wide diversity in conditions favorable to growth, including the rate of population growth. For example, Argentina and Chile have relatively low rates of population growth, are fairly advanced industrially, and have a favorable resource position. Yet these countries have made relatively little economic progress during the postwar period. Some of the countries that have achieved relatively high rates of growth in output per capita in the past, including Brazil, Colombia, Mexico, Peru, and Venezuela, have projected rates of population growth for the period 1957–1980 considerably higher than their rates of growth during the 1950–1957 period, and three or four times the projected rate for Argentina. Undoubtedly, many of the countries with expected high rates of population increase will have difficulty in maintaining the rates of growth in per capita output achieved during the 1948–1958 period. For a few countries, particularly in the Caribbean and Central American regions, a limited resource base may make difficult the maintenance of already low levels of per capita income in the face of rapidly mounting population pressures.

Measurement of Economic Progress

Although economists and government officials tend to measure economic progress in terms of per capita income or GNP, such indicators by no means fully reflect changes in economic welfare. Better health, longer life, greater economic security, improved quality of commodities and services, improved working conditions, elimination of starvation or malnutrition and of the extremes of poverty, are important elements of welfare that are only partially reflected in per capita GNP. Yet these elements of progress may create more of a feeling of economic improvement than do some of the other elements which constitute a rise in per capita GNP. Thus, the success or failure of a program of economic betterment cannot be measured in terms of statistical aggregates alone. Development planners need to consider the great variety of factors which contribute to the quality of living, and in these terms there can be significant progress even when economic growth is relatively low.

A Brief Historic Survey of Private Investment in Latin America

A. Pre-World War I

Although private foreign investment became a major force in Latin America by the 1880's, U.S. investors were relatively unimportant until the turn of the century. On the eve of the First World War the British predominated with close to $5 billion invested in Latin America; the French came next with $1.8 billion invested, followed by the United States with $1.6 billion and Germany with approximately $900 million. Since U.S. investments were, moreover, concentrated north of the Isthmus of Panama, their relative importance in countries like Mexico and Cuba was quite high, while they were correspondingly insignificant in South America proper.

U.S. investment was also predominantly direct, that is, equity investment, a characteristic which, except in the 1920's, has always marked U.S. foreign investment, particularly in Latin America. About 60 per cent of all U.S. Latin-American investment in 1914 was in such activities as Cuban sugar mills and estates, Caribbean and Central American banana plantations, Mexican mines and oil fields, and similar extractive enterprises. Less than 17 per cent was invested in railroads and public utilities, while 22 per cent consisted of bonds, chiefly Government securities. European investors, by contrast, favored Government bonds and railroad securities. About 35 per cent of

the French and 32 per cent of the British assets in Latin America consisted of public securities issued to finance port improvements, municipal public works, and similar types of "social overhead investments," while another 46 per cent of British and 26 per cent of French investments were in railway securities.

B. 1915–1930

The United States emerged during this period as the major external source of new capital and enterprise in Latin America. The bulk of the capital flowed south during the ebullient 1920's, a decade also marked by our first and rather ill-fated venture into large-scale portfolio lending. Between 1919 and 1929 portfolio assets in Latin America rose $1.3 billion, while direct investments increased $1.6 billion. The chief stimulus probably came from the rapid growth of the American economy, its capital-accumulating ability, and its broadening search for new cheap sources of industrial raw materials and fuels. However, the rise to predominance of U.S. capital in Latin America was also facilitated by the effects of World War I and its aftermath in Europe. There had been during the war a substantial liquidation of Latin-American assets by the European powers, and after the war, plagued by economic difficulties, the recuperation of European lending was slow. At the end of 1930, British assets in Latin America were still some 8 per cent below their 1913 value.

A partial vacuum was thus created in loan capital which the rise in U.S. private portfolio investment in Latin America helped to fill. No longer able to draw as before from the coffers of Lombard Street and the Paris Bourse, Latin-American governments turned to Wall Street. The experience was a heady one for America's investment bankers, who proceeded exuberantly to commit most of the errors and peccadilloes which the British through their long nineteenth-century experience had learned to guard against. The story of the ill-conceived Colombian bonds, the fat finder's fees to local politicians, the sizable gross spread taken by the bankers, has often been told. In retrospect, it is of course evident that even with normal precautions, many of the Latin-American bonds would have turned bad in the 1930's depression, which struck a catastrophic blow to Latin-American exports and left most of them with an almost impossible debt servicing problem. Significantly, Argentina, whose exports rode out the depression better than most other Latin-American countries, was in default in 1934 on only 25 per cent of its external debt, a superior record for

Latin America in the mid-1930's. The application of normal bankers' restraint in the 1920's would, however, have eased the chagrin of American bondholders in the 1930's.

Another notable feature was the pronounced shift of U.S. investor interest to South America. Close to 70 per cent of U.S. Latin-American investments in the period 1915–1930 was made south of the isthmus, with a similar proportion applying to direct investment. Much of the southward movement was in extractive investment: Venezuelan oil, Chilean copper and nitrates, Peruvian lead and zinc, and so forth. In all, about 44 per cent of direct investment was in extractive industries, with another 28 per cent in public utilities and 9 per cent in manufacturing, chiefly in meat-packing plants in the Rio Plata Republics.

Two special factors seem to have facilitated the migration of U.S. capital southward. The first was the partial drying up of sources of European capital, which formerly had financed much of South America's public utilities development and had also been the major factor in meat-packing. The other was U.S. business' first major contact with an "unfavorable investment climate," that created by the Mexican revolution. The overthrow of the permissive Díaz dictatorship, the promulgation of the highly nationalistic 1917 constitution and chronic diplomatic friction between the United States and Mexico, undermined the security of existing holdings in Mexico. During the long-drawn-out agrarian reforms, large U.S. holdings were seized along with Mexican estates. The 1917 constitution, which vested subsoil rights in the state, clouded the legality of U.S. and other foreign oil concessions, so that Mexican petroleum output fell steadily from a high of 193 million barrels in 1921, when Mexico was the world's second largest producer, until the denouement in 1938, when foreign oil properties were expropriated. Railroad and Government bonds went into default in 1914, and servicing was not resumed until World War II. As a result, in the midst of the 1920's foreign investment boom, the book value of U.S. holdings in Mexico declined; U.S. investors looked southward and to Cuba instead.

C. 1930–1945

The foreign-investment boom came to an abrupt end with the onset of the 1930's depression. By 1935, 75 per cent of Latin-American dollar bonds were in default. Servicing of these bonds was generally renewed in the 1940's, usually with a substantial write-down of interest rates, but their market value had fallen drastically in the interim, and Latin-American governments took advantage of this to retire some of the bonds through repurchase. Thus by 1946, U.S. portfolio holdings in Latin America had declined 61 per cent from 1929 levels. The book value of direct investment also declined, the 27 per cent fall between 1929 and 1943 reflecting both the general decline in earnings and the expropriation and sale of a few of these assets. The decline in book value and the paucity of new investment was, of course, the consequence of the same drastic decline in the price of primary products which had provoked the balance of payments

crisis of the 1930's and the defaults on dollar bonds. Virtually all Latin-American countries were affected; only Venezuela, whose rich oil deposits continued to draw exploration and development funds, and Guatemala, which expanded as a banana producer when disease struck plantations in other Central American countries, showed a rise in U.S. investment. It is interesting also to note that Latin America was the only region in which the value of U.S. direct investments declined absolutely throughout the 1930's. U.S. investment in Canada, for example, continued to rise, although Canadian exports to the United States had fallen almost as much as those of Latin America during the 1930's depression. The deterrence of oil expropriations in Mexico and political instability in a number of other Latin-American countries in the 1930's, along with continued interest in aluminum and wood pulp investment in Canada, probably accounts for the divergent trends. World War II, however, brought a substantial revival of Latin-American exports, and U.S. investment began moving south again in modest amounts, despite wartime restrictions.

D. 1946–1960

Latin America was initially the chief beneficiary of the revival of U.S. foreign investment, receiving 49 per cent of the increase in U.S. direct investment between 1943 and 1950. The share, however, fell to less than 30 per cent in the period 1950–1960, so that over the entire period 1943–1960, Latin America received less than one third of the total increase in U.S. direct investment. Despite the rather popular premise that Latin America is the favored preserve of U.S. investors, there has been no reversal in the postwar period of the long-run decline in Latin America's share of U.S private investment.

Despite the notable expansion of manufacturing, the investment boom of the postwar years has been, up to now, more firmly rooted in the extractive industries—petroleum, mining, and smelting, in particular—than was the case in the 1920's, with 53 per cent of direct investment going to these industries, as compared to 44 per cent in the 1920's, when public utilities absorbed considerable funds. That is, postwar U.S. investment in the rest of the world was tied predominantly to the booming demand for primary materials, most of all for petroleum, which attracted over 40 per cent of all U.S. direct investment between 1943 and 1960.

U.S. Private Investment in Latin America by Country

(in millions of dollars)

	1897	1914	1929	1936	1943	1950	1957	1959
North Latin America:								
Costa Rica	—	24	22	13	30	60	62	60
Cuba	50	265	919	666	526	642	849	955
Dominican Republic	6	16	69	41	71	106	88	87
El Salvador	—	7	29	17	15	18	30	31
Guatemala	—	37	70	50	87	106	106	131
Haiti	1	12	14	10	14	13	35	36
Honduras	—	10	72	36	37	62	108	110
Mexico	205	835	682	480	286	415	739	759
Nicaragua	—	5	13	5	4	9	16	18
Panama	—	14	29	27	110	58	201	328
South Latin America:								
Argentina	—	36	332	348	380	356	333	361
Bolivia	—	11	62	18	13	11	16	31
Brazil	—	28	194	194	233	644	835	839
Chile	2	181	423	484	328	540	666	729
Colombia	8	22	124	108	117	193	396	399
Ecuador	—	9	12	5	11	14	42	51
Paraguay	—	6	12	5	9	6	6	13
Peru	6	63	124	96	71	145	383	427
Uruguay	—	6	28	14	6	55	57	44
Venezuela	4	8	233	186	373	993	2,465	2,808
Total	282	1,595	3,463	2,803	2,721	4,445	7,434	8,218

Book Value of U.S. Direct Investment in Latin America, Major Industries, Selected Years

(in millions of dollars)

	1897	1914	1919	1929	1936	1943	1950	1957	1959
Agriculture	59	238	475	817	400	385	523	571	529
Mining/smelting	81	449	661	732	708	405	666	1,232	1,416
Petroleum	6	107	326	617	453	618	1,303	2,998	3,312
Manufacturing	3	37	84	231	192	325	781	1,280	1,426
Public utilities	124	274	312	887	937	875	942	1,049	1,150
Trade	16	34	71	119	100	143	245	571	687
Miscellaneous	19	142	58	116	57	48	117	351	469
Total	308	1,281	1,987	3,519	2,847	2,798	4,576	8,052	8,990

The editors of SOCIAL PROGRESS are indebted to Dr. George I. Blanksten, Professor of Political Science at Northwestern University, for his chapter on Latin America in *The Politics of the Developing Areas*, edited by Almond and Coleman, which provided much of the background for the first article in this issue of SOCIAL PROGRESS, "The Changing Face of Latin America."

For the article on diplomatic relations between the United States and Latin America the editors have been instructed by the insights and interpretations of Herbert L. Matthews, who has been on the editorial board of *The New York Times* since 1949, especially his chapter on diplomatic relations in the American Assembly volume *The United States and Latin America*.

The articles on the Organization of American States, the non-self-governing territories, the problems of economic development in Latin America, the role of private investment in Latin America, and Soviet activities in Latin America are extracted from a series of reports on United States–Latin-American relations prepared for the Committee on Foreign Relations of the United States Senate and published by that Committee on August 31, 1960. These reports were prepared respectively by Northwestern University, by the School of Inter-American Affairs of the University of New Mexico, by the Institute of International Studies and Overseas Administration of the University of Oregon, by the National Planning Association, and by the Corporation for Economic and Industrial Research.

In connection with the charts on economic matters, pages 37–39, it should be pointed out that some of the discrepancies are due to the fact that the data comes from various sources.

U.S. Government Nonmilitary Loans and Grants to Latin America by Country, 1945-1960

(*millions of dollars*)

Countries	Total (Net) Amount	Net Grants Amount	Net Credits Amount	Other Assistance Amount
Argentina	241	1	220	20
Bolivia	186	144	36	5
Brazil	683	60	533	91
Chile	191	47	138	6
Colombia	175	29	128	19
Costa Rica	47	39	8	—
Cuba	38	4	34	—
Dominican Republic	*	3	—3	—
Ecuador	48	20	26	2
El Salvador	9	10	—1	—
Guatemala	95	92	1	3
Haiti	60	40	20	—
Honduras	23	17	5	—
Mexico	315	112	193	10
Nicaragua	25	25	—1	—
Panama	35	30	4	*
Paraguay	30	18	12	*
Peru	218	47	166	5
Uruguay	36	3	2	31
Venezuela	6	3	4	*
Total	2,461	744	1,530	192

* Less than $500,000

Information for charts in this issue taken from: *United States-Latin American Relations,* Compilation of Studies prepared under the direction of the Subcommittee on American Republics Affairs of the Committee on Foreign Relations, United States Senate, August, 1960; *Foreign Grants and Credits by the United States Government,* a Report prepared for the use of the Congress and Government Agencies, U.S. Department of Commerce, June, 1960; and *U.S. Business Investments in Foreign Countries,* U.S. Department of Commerce, 1960.

Implications of Soviet Bloc Latin-American Activities

THE following points summarize the principal conclusions of a study of Soviet bloc and Communist Party activities in Latin America:

1. The Soviet Union in recent years has endeavored to gain a position of influence and respectability in Latin America and to undermine the influence and prestige of the United States in this region. This effort has grown over the past five years and appears to be accelerating. It fits into the general shift in policy and approach of the Soviet Union toward the free world in general in the post-Stalin era. The notable achievements of Soviet science and technology and its impressive economic growth have undeniably enhanced its prestige and power. From this position of strength and confidence, the Soviet leadership is intensifying its efforts to establish the U.S.S.R. in the front rank of nations and to achieve its long-standing goal of world supremacy—for the present by the tactics of "competitive coexistence" as the Communists misleadingly use this term to cover their aggressive tactics.

2. In Latin America the immediate aim of the Soviet Union appears to be the political neutralization of this region in the world-wide ideological power struggle. This entails, first, the undermining of the U.S. political position and influence in this region by building up suspicion of, and hostility toward, the United States in these countries. The second strand in its design is to enhance its own position and prestige through the development and extension of political, trade, financial, and cultural relations with the countries of Latin America. In a sense, the Soviet Union is trying to establish a "platform" in Latin America from which it can launch an intensified struggle against U.S. influence and expand its own prestige and weight. Apparently the Soviet Union may have such a "platform" in Cuba.

3. The economic aspect of this offensive has gained some headway since it began in Latin America (and elsewhere) in 1953–1954. But thus far its success has been limited. Conditions favorable to a growth in bloc economic activity include (*a*) persistent price-depressing surpluses of a number of primary commodities in certain Latin American countries, (*b*) the desire on the part of many Latin-American countries both to increase their trade and to diversify their export markets geographically, and (*c*) their compelling need for more capital from external sources

to support their economic development programs. From negligible amounts before 1954, the bloc has purchased over $1 billion in primary exports in the six years since that time, mainly through bilateral trade arrangements. This trade is confined largely to Argentina, Brazil, Cuba, and Uruguay.

4. The Soviet offensive in the political and cultural spheres has had a significant impact, even though seventeen of these twenty countries still withhold diplomatic recognition of the Soviet Union. Soviet prestige has risen in Latin America, just as it has in the United States, Western Europe, and elsewhere. Soviet supremacy in rocketry, and its notable accomplishments in other areas of science and technology and in economic development, obviously impress peoples who, in these respects, are far behind. Its international political position and power are facts to be faced. And Soviet cultural achievements in some respects are notable. All these facts of Soviet accomplishment enhance its prestige and also the fear of its influence.

5. The Communist parties are the local tactical forces deployed by the Soviet Union in its offensive against the United States in Latin America. With one or two exceptions, the Communist parties do not enjoy numerically significant support in these countries. The parties are not now attempting to build up large memberships. They are composed of a relatively small, compact, flexible, well-trained and indoctrinated group of activists dedicated mainly to the infiltration of social, economic, and political groups and organizations.

From such positions they work ceaselessly to foster and intensify an anti-United States attitude, to create tensions between the United States and the Latin-American republics, to promote a feeling of neutralism there, and to instill in the minds of people in Latin America a favorable image of the Soviet Union. They constitute noisy, troublesome elements that at times cause internal turmoil and tension in the relations between certain Latin-American countries and the United States. Their record over the last three to four decades reveals their subservience to the international party line as laid down by the Russian Communist Party.

From the evidence at hand, the Latin-American Communist parties are not, under normal circumstances, in any position to assume political power in any Latin-American country. The exception to this general conclusion arises whenever there is a situation of political and economic confusion following the collapse of a dictatorial regime with the new government in the hands of inexperienced and politically unsophisticated people. In such a situation, the Communists came close to seizing power in Guatemala in 1954. At present Cuba seems to be following a similar pattern—a dramatic change in regime, a period of turmoil, confusion, but hope, followed by growing disillusionment and frustration, and Communist penetration of government. This situation holds danger—it can become a touch-and-go matter.

6. It is unnecessary to stress the vast importance of Latin America to the international political position of the United States, its security, and its long-term economic growth. Similarly, the United States is vital to the countries of Latin America for their national security, their economic well-being, and their aspirations for future growth and higher standards of living. Despite the many differences between them and us, the fact of overriding importance is our mutual interest in the prosperity, stability, and well-being of all members of the Organization of American States.

This mutual interest, however, has not prevented tensions from developing between the Latin-American countries and the United States which, we must recognize, are basically not the product of Communist troublemaking. In varying forms and degrees these problems have their origin in differences in (*a*) temperament and outlook, (*b*) social and cultural patterns, and (*c*) political behavior. Poverty and economic weakness on one side, wealth and economic strength on the other, add to the difficulties and tensions. The Communists simply exploit and intensify these fundamental problems.

As many Latin Americans view it, and with some justice, these problems are made needlessly difficult by certain traditional attitudes of the United States. This view may be summarized as follows: Politically we "take them for granted" and concentrate our attentions on Europe and increasingly on Asia and the Middle East. We have been generous in our economic aid to others, but grudging toward Latin America. This suggests a lack of interest in their social problems and their aspirations. They have not received the attention and the help that mutual interest should impel us to give and that mutual interest leads them to expect.

Actually, the difficult economic, social, and political problems of Latin America have not been given sufficient attention and understanding by the United States. The Latin-American region is burdened with serious problems of poverty, illiteracy, ill-health, and instability. There is much more that they should do and can do to help themselves, and there is much more that the United States should do and can do to help them. The present Communist activity in Latin America only makes more urgent the shift in foreign policy emphasis which this country should have made long ago in the best interests of both the Latin Americans and ourselves. A good beginning was made in the 1930's and during World War II. But since then attention to Latin America has declined—both in absolute and relative terms.

World Cultures and World Religions: The Coming Dialogue, by Hendrik Kraemer. The Westminster Press, 1960. 386 pp. with index. $6.50.

This book deals with a very important aspect of the increasing involvement of the West with the cultures and religions of Asia and Africa. Dr. Kraemer, a Dutch scholar of great stature, presents a detailed discussion of the major cultures and religions of the world. His treatment includes a historical review of East-West relations in the past, in the nineteenth century, and down to the present. The Eastern religions include Islam, Hinduism, Buddhism, the religions of China and Japan.

This is decidedly not a text in "comparative religions" as that subject was treated in the past. Dr. Kraemer discusses a cultural response of the East to the Western invasion as we see that response taking substance and shape in the Moslem world, in the Hindu world, in the Buddhist world, and in the religious communities of China and Japan. He discusses also the Western response to Eastern cultures and religions. An important chapter deals with the significance of the political revolution in Asia since World War II and of the resurgence in that part of the world of the non-Christian religions.

The author points out the importance of the coming dialogue as it will involve Christians from the West, other than theological professors and experts, who will be having all kinds of dealings with people in the East. Part of their essential preparation is a sympathetic understanding of the real nature of the modern religious movements of Asia and Africa.

This is an important book—"must" reading for all who are interested in or involved in a way with people and events in Asia and Africa.

Arms and Politics in Latin America, by Edwin Lieuwen. Published for the Council on Foreign Relations by Frederick A. Praeger, Inc., 1960. 296 pp. with index. $4.75.

This important book was written under the supervision of a study committee for the Council on Foreign Relations and measures up to the Council's customary standard of excellence.

The first part of the book deals with Latin America's Armed Forces. It includes a résumé of the military history of the area, an account of the crumbling of the traditional order (1914–1959), military development in the light of the social revolution in selected countries, a special case study of Mexico, the changing role of the Armed Forces, and Latin-American military today.

The second part of the book deals

with military aspects of the Latin-American policy of the United States, including a historical review, the evolution of the policy in the period from 1898 to 1959, an analysis and critique of U.S. policy, and the shape and needs of the future.

Dr. Lieuwen is Associate Professor and Chairman of the Department of History at the University of New Mexico. He is a well-known expert in Latin-American problems and affairs, and in that connection he has rendered important service to the Government.

American Foreign Policy Since World War II, by John W. Spanier. Frederick A. Praeger, Inc., 1960. 234 pp. with index. Paper, $1.75; cloth, $4.50.

The purpose of the author in this book is to present an account of American foreign policy since 1945 —from the breakdown of the wartime alliance with the Soviet Union through the beginning of the cold war, and including the various efforts of both the Truman and Eisenhower Administrations to contain Communistic expansion in Europe, Asia, and the Middle East. The book is not intended to be merely a catalogue of events, however, but an analysis and interpretation of American policy in the postwar period.

Dr. Spanier's thesis is that our American traditional distaste for "power politics" has hampered an adequate response to the social, strategic, and ideological challenges of our day. Our policy has evidenced something of a failure to understand the social changes accompanying the "revolution of rising expectations" throughout the underdeveloped countries. The book focuses on the need to re-examine and adjust the value system by which we interpret and respond to the urgent needs of the underdeveloped areas.

We sincerely commend this book to all who are interested in world affairs.

The Necessity for Choice: Prospects of American Foreign Policy, by Henry A. Kissinger. Harper & Brothers, 1961. 372 pp. with index. $5.50.

Dr. Kissinger states in a preface of this extremely important book that it is his attempt to point out some of the major issues that confront American foreign policy in one of the most critical periods of American history.

Underscoring the discussion is a sense of urgency, based on the writer's conviction that in this revolutionary age we have to face the fact of upheaval where the solutions can never be regarded as permanent. As a nation we must overcome our obsession with safety and with predictable security, which produces a fear of risk.

Dr. Kissinger shows that we face a unique predicament in the history of military policy. "In the past," he says, "the military establishment was asked to prepare for war. Its test was combat; its vindication, victory. In the nuclear age, however, victory has lost its traditional significance. The *outbreak* of war is increasingly considered the worst catastrophe. Henceforth, the adequacy of any military establishment will be tested by its ability to preserve the peace."

Dr. Kissinger in this remarkable

book discusses the dilemmas of deterrents, a reappraisal of limited war, the problem of the United States' alliances in Europe, the question of negotiations, the problems of arms control, and the position of the intellectual in the process of policy making.

The present book enlarges upon some of the problems the writer dealt with in *Nuclear Weapons and Foreign Policy*. He sets forth here his thought on current foreign policy and defense issues. The earlier book made a very deep impression and achieved wide attention. The present book will attract a wide reading and is bound to provoke serious consideration of perhaps the most urgent question before the American people.

Contemporary Theory in International Relations, edited by Stanley Hoffmann, Prentice-Hall, Inc., 1960. 293 pp. with index. $4.95.

This is a splendidly conceived and well-organized resource book for the study of international relations.

A short introductory section, Part I, deals with international relations as a discipline. Part II considers contemporary theories of international relations with readings from Hans Morgenthau, Raymond Aron, Kenneth Thompson, Morton Kaplan, Jessie Bernard, George Liska, and others.

The last section of the book, Part III, has suggestions for the study of international affairs with readings from several stimulating sources. Dr. Hoffmann's introductions to the three sections are stimulating and noteworthy. In introducing the last section he makes a plea for a rebirth of political philosophy concerned with the definition and realization of ideals in international relations. He sets himself in opposition to those who condemn as hopeless attempts to apply ethical standards to the activities of nations. His approach here suggests the relevance and importance of the efforts of the World Council of Churches, through the Commission of the Churches on International Affairs, to develop an ethos for international relations. Dr. Hoffmann is Associate Professor of Government at Harvard University. He has written widely on international organization, American politics and constitutional law, and French politics. This is a useful and important book.

The Struggle for Democracy in Latin America, by Charles O. Porter and Robert J. Alexander. The Macmillan Company, 1961. 215 pp. with index. $4.50.

The authors of this useful book are highly competent to write about Latin America. Congressman Charles O. Porter (Democrat, Oregon), has been deeply interested in Latin-American affairs for several years. In 1957 he launched an investigation to learn what had happened to one of his constituents, Gerald Murphy, who had disappeared inside the Dominican Republic. Dr. Robert J. Alexander, Associate Professor of Economics at Rutgers University, has visited Latin America at least once a year since 1946. He has written three books about the area and a great many magazine articles.

The present book analyzes the

struggle for democracy in the twenty Latin-American "republics" and some of the more recent incidents in this struggle.

The authors feel that the foreign policy of the United States has been ambiguous and fumbling. They suggest a program which they believe would serve the mutual and interrelated interests of both the United States and Latin America.

The book deals with the forces favoring democracy in Latin America, the forces opposing democracy in Latin America, the struggle for democracy since World War I, some recent democratic victories, some remaining tyrannies, and the responsibility of the United States in relation to the struggle for democracy in Latin America.

The writers' conclusion is worth noting.

"It is clear that the relations of the United States with Latin America had reached a state of crisis by 1959 because of an over-all lack of United States policy in the hemisphere. For the first time, there was a real danger of an important neutralist bloc developing among the Latin-American countries. The resentments against United States friendship for dictators and the frustrations arising from inadequate help to the Latin-American development effort had generated a degree of hostility toward the United States which had not been equaled since the worst days of Big Stick diplomacy.

"Therefore, the need for recasting the whole policy of the United States toward the Latin-American countries is urgent. This revision of policy should be in terms such as will inspire confidence and enthusiasm and will assure the Latin Americans that this country realizes that it has made some serious mistakes and is going to try to provide the kind of democratic leadership which the rest of the hemisphere expects of us. If there is not such an alteration in the Latin-American policy of the United States, we can expect to see the deterioration of this country's relations with the rest of the hemisphere continue until Latin America becomes a first-class trouble area for the United States. This is the eleventh hour. We have some time left, and it behooves this country not to waste it."

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